

REMARKS

This paper is responsive to the December 15, 2008 Final Office Action. Claims 1-29 were previously pending in this application. Claims 1, 9, 12, 14, 18, 22, 24-26, 28 and 29 are amended herein. Claims 2-8, 10, 11, 13, 15-17, 19-21, 23 and 27 remain as originally filed or as previously presented. Thus, Claims 1-29 remain pending herein for the Examiner's further consideration in view of the amendments and the following remarks.

Response to rejection of Claims 1-29 under 35 USC § 112, second paragraph

In the December 15, 2008 Final Office Action, the Examiner rejects Claims 1-29 35 USC § 112, second paragraph, as being indefinite. In particular, the Examiner rejects Claims 1, 9, 12, 14, 18, 22, 24-26, 28 and 29 as containing indefinite language that the Examiner identifies as the limitations "at least some," "at least in part," and "at least a portion of."

Applicant has amended the claims identified by the Examiner to delete the "indefinite" limitations and replace the deleted limitations with limitations that have the meaning intended by the deleted limitations. No change in the scope of the claims is introduced by any of the amendments.

The Examiner also states that the limitation "pre-specified monetary cost to repair" in Claim 1 renders Claim 1 indefinite. Applicant has amended Claim 1 herein to replace "pre-specified" with --selected-- and has clarified that the subset of inspection checkpoints is selected so that the estimated monetary costs of repair associated with the selected subset of inspection checkpoints are collectively reflective of a selected potential monetary cost to repair. The amended language simply restates the intended meaning of Claim 1 as previously presented.

Applicant notes that Claims 18, 24 and 29 include the "pre-specified" limitation. Although the Examiner does not specifically reject Claims 18, 24 and 29 on this basis, Applicant has amended Claims 18, 24 and 29 herein to be consistent with the amendment to Claim 1.

In view of the amendments presented herein, Applicant respectfully submits that Claims 1-29 are now definite in accordance with the requirements of 35 USC § 112, second paragraph. Applicant respectfully requests the Examiner to withdraw the rejection under 35 USC § 112, second paragraph, and to pass the claims to the issue process in view of the amendments and in view of the following discussion of the patentability of the claims over the cited references.

Response to rejection of Claims 1, 5 and 29 under 35 USC § 103(a) as being unpatentable over Hall and Bandemer

The Examiner rejects Claims 1, 5 and 29 under 35 USC § 103(a) as being unpatentable over US Patent Application Publication No. 2003/0229509 to Hall in view of US Patent No. 7,107,278 to Bandemer. In particular, the Examiner states:

With respect to claims 1 and 29, Hall teaches a computer-implemented method for generating a risk assessment of a builder, the method comprising:

providing a database that comprises inspection checkpoints for use in assessing builder risk, wherein at least some of the inspection checkpoints include information reflective of particular types of construction defects (paragraphs 0011, 0014, and 0038).

selecting a subset of the inspection checkpoints to use to inspect one or more construction projects of the builder, where the subset of inspection checkpoints is selected by a computer system (paragraph 0017),

using at least the results of the subset of inspection to programmatically generate a risk assessment of the builder (paragraph 0020).

Hall does not disclose or suggest the limitations cited by the Examiner

Applicant respectfully disagrees with the characterization of Hall as teaching the foregoing limitations. Hall does not provide a database that comprises inspection checkpoints for assessing builder risk wherein at least some of the inspection checkpoints include information reflective of particular types of construction defects. Rather, Hall specifically discloses a risk management system directed to the inspection of a marine structure to detect deterioration of the marine over time. In particular, Hall describes the deterioration process in paragraph [0034]:

[0034] Structures deteriorate over time from many causes. The deterioration can include, but is not limited to structural, corrosion and coating deterioration. Structural deterioration can be caused from outside influences, such as a storm,

or the wearing out of inspection points, such as parts or spaces on the structure. Corrosion deterioration creates the loss of structural design strength due to depletion. In many areas of the structure, this will eventually lead to the loss of structural integrity that will influence the ability of the structure to perform its overall function. Coating deterioration is the weakening of coating applied to specific areas of the structure.

Although Hall states in passing in paragraph [0022], for example, that the system could be applied to other corrosion susceptible structures such as bridges and buildings, Hall does not disclose or suggest that the system could be used to assess construction defects in order to generate a risk assessment of the builder. Rather, the Hall system is limited to the inspection of one ship at a time after the ship has been in use and has deteriorated. The system generates a matrix of conditions at various inspection points to be used to provide instructions for correcting anomalies (see paragraph [0046], for example) and to provide an order of precedence for maintenance of the ship (see paragraph [0048] and Table 1). Hall does not disclose or suggest using the system to inspect a new ship or a ship under construction to locate construction defects.

Hall also does not generate a risk assessment of the builder of the ship. As discussed above, the Hall system generates a matrix that identifies the conditions at various inspection points. Hall presumes that the ship will have one or more anomalies as a result of deterioration, and provides a systematic way of locating and repairing the anomalies in accordance with known information regarding the particular class society classification of the ship. The information is used to assist the owner of the ship in determining which portions of the ship should be repaired before the next voyage. There is no suggestion that the results of the inspections are used in any manner to generate a risk assessment of the builder of the ship, such as to determine whether the builder has a higher risk than another builder, to determine which builder should be selected to build the next ship, to determine insurance premiums or to determine whether to finance the builder.

The Examiner acknowledges that Hall does not teach other elements of Claims 1, 5 and 29, but states that Bandemer teaches the missing elements. In particular, the Examiner states that Bandemer teaches:

obtaining input about a builder and about projects associated with the builder (column/line 3/53-58, regarding contractor information; 6/58-62, regarding project information);

a database comprising stored data reflective of estimated monetary costs of repair associated with particular inspection checkpoints (column/line 6/27-49, regarding defect observation and location point, 13/3-16, regarding cost of repair for each defect);

accessing stored data about past construction defect claims that includes at least one of: information reflective of a frequency of past construction defect claims and information reflective of costs associated with past construction defect claims (column/line 13/17-37, regarding the retrieval of the document information regarding location point of defect and associated costs for construction defect litigation);

recording within computer storage results of the inspection based on the subset of inspection checkpoints as applied to one or more construction projects of the builder (column/line 6/27-49, regarding the storing of observed information);

Bandemer does not support the rejection of Claims 1, 5 and 29

Bandemer discloses a system that is used for organizing a massive number of documents in construction defect litigation. The documents include observational information based on inspection of the structures involved in the litigation and indexes the observational information to the various properties involved in the litigation. The Bandemer system also indexes various defects at various properties with respect to the construction trade responsible for the defect and the subcontractor responsible for the construction trade. When more than one construction trade or subcontractor may be involved with respect to a particular defect, the responsibility for the defect may be allocated between the parties.

The Bandemer system is directed to the structures that are the subject of a litigation matter. The litigated defects have already occurred. No "risk" is involved since the defects are observable and are not potential defects. Bandemer provides a system for tracking the observed defects in accordance with various criteria so that the relevant

documents can be readily retrieved in order to assist in determining liability for particular defects and for allocating the costs for repairing the defects.

Bandemer does not disclose or suggest using the system to generate a risk assessment of a particular builder seeking a contract, insurance or funding for a current or prospective project based on the performance of the builder on previous projects.

Bandemer cannot be combined with Hall as proposed by the Examiner

The Examiner states the following basis for combining Bandemer with Hall:

It would have been obvious to one of ordinary skill in the art to include the business system of Hall with the ability to associating costs of repair associated with inspection checkpoints or past defect claim and ranking the checkpoints as taught by Bandemer since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

The Examiner's statement that it would have been obvious to include the business system of Hall with the ability to associate costs of repair associated with inspection checkpoints has no support. The Examiner does not state how Bandemer could be combined with Hall to produce Applicant's claimed system or to produce any other operable system.

As discussed above, the Hall system is used to inspect anomalies resulting from deterioration of a ship over time and to determine a priority for repairing the anomalies in order to return the ship to safe use in a timely and cost effective manner. Hall only involves one ship and one owner.

The Bandemer system indexes documents representing observations made by inspectors in complex construction defect litigation. Bandemer also allocates estimated remediation costs to subcontractors involved in the litigation. The Examiner does not suggest how the multiple-property, multiple-party litigation document management system of Bandemer can be combined with the Hall system to produce an operational system. There is no apparent way of incorporating Bandemer's complex indexing system into Hall since Hall does not need the feature and cannot use the feature. Furthermore, the responsibility allocation feature of Bandemer would not have a use in the Hall system since the owner is the sole party responsible for correcting the defects.

Any system that might result from some combination of Hall and Bandemer would not disclose or suggest Applicant's claimed system. In particular, neither system discloses or suggests using past defects by a builder to provide a risk assessment of the builder with respect to a construction project. Both systems provide information regarding existing defects without providing any information regarding the risk of future defects that might be produced by a builder.

Hall does not teach the risk assessment score defined by Claim 5

With respect to dependent Claim 5, the Examiner states that paragraph [0020] of Hall teaches reporting a risk assessment score. Applicant respectfully disagrees. The "risk value" discussed in paragraph [0020] of Hall is produced for a single inspection point. The risk values from multiple inspection points may be ranked to determine which inspection point has a defect that presents the greater risk based on the degree of damage and the location of the inspection point; however, the risk values from the multiple inspection points are not combined in any manner to produce an overall risk assessment. Furthermore, as discussed above with respect to the limitations of the independent claims, the evaluation performed by Hall is directed to a particular ship after extended use. The evaluation does not provide any risk assessment of the builder of a ship or other structure based on defects found in previous ships or other structures or of pending or new construction.

Request for allowance of Claims 1, 5 and 29

In view of the foregoing discussion, Applicant respectfully submits that Claims 1, 5 and 29 are patentably distinguished over Hall and Bandemer and the other art of record. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 1, 5 and 29 and to pass Claims 1, 5 and 29 to the issue process.

Response to rejection of Claims 2, 4 and 19-22 under 35 USC § 103(a) as being unpatentable over Hall and Bandemer in view of Lawrence

The Examiner rejects Claims 2, 4 and 19-22 under 35 USC § 103(a) as being unpatentable over Hall and Bandemer in further view of US Patent Application Publication No. 2004/0083165 to Lawrence.

Claims 2 and 4

With respect to Claims 2 and 4, the Examiner acknowledges that Hall in view of Bandemer does not directly teach specific input about projects, but asserts that Lawrence teaches that the input about projects comprises information about construction methods and materials planned for the projects (citing paragraph [0048] of Lawrence). The Examiner states that it would be obvious to combine Lawrence with Hall and Bandemer. The Examiner does not articulate any reasoning why a person skilled in the art would combine the references or provide any suggestion how the three references could be combined.

The abstract of Lawrence states that the system gathers, organizes and presents information from multiple sources pertinent to risks associated with subjects related to the construction industry. Lawrence does not teach using the information to identify defects in ships or other structures as disclosed in Hall or using the information for organizing documents in construction defect litigation as disclosed in Bandemer. Furthermore, Lawrence does not teach or suggest that the sources of information include information about past construction defects as defined by Claims 2 and 4 in combination with independent Claim 1.

For at least the reasons set forth above with respect to independent Claim 1, Applicant respectfully submits that dependent Claims 2 and 4 are patentably distinguished over Lawrence in combination with Hall and Bandemer. Applicant respectfully requests allowance of Claims 2 and 4.

Claim 19

With respect to Claim 19, the Examiner states that column 6, lines 27-49 of Bandemer teaches that the stored data about past construction defect claims further comprises information about the builder's past history of construction defect claims. As discussed above, Bandemer does not disclose storing information about a builder's past history of construction defect claims. Rather, Bandemer discloses a system for indexing observed construction defects in properties in a construction litigation matter. There is

no suggestion in Bandemer that the stored information includes historical information regarding prior construction defects by the same builder.

Claim 19 depends from Claim 1 and further defines the invention defined in Claim 1. For the reasons set forth above with respect to independent Claim 1 and for the additional reasons discussed in the preceding paragraph, Applicant respectfully submits that dependent Claim 19 is patentably distinguished over Lawrence in combination with Hall and Bandemer. Applicant respectfully requests allowance of Claim 19.

Claims 20 and 21

With respect to Claims 20 and 21, the Examiner states that Bandemer teaches storing information regarding the location of defects in a relational database and that it would be obvious to use the sort feature of the database to rank the checkpoints based on frequency of occurrence. The Examiner further states that it would be predictable to use the stored data about past construction defect claims to rank inspection checkpoints associated with construction defect claims and financial costs. As discussed above, Bandemer does not disclose storing information about a builder's past history of construction defect claims. Rather, Bandemer discloses a system for indexing observed construction defects in properties in a construction litigation matter. There is no suggestion in Bandemer that the stored information includes historical information regarding past construction defects by the same builder that can be ranked as proposed by the Examiner. Accordingly, even if the references were combined as proposed by the Examiner, the combined references would not disclose or suggest the inventions defined by dependent Claims 20 and 21.

Claims 20 and 21 depend from Claim 1 and further define the invention defined in Claim 1. For the reasons set forth above with respect to independent Claim 1 and for the additional reasons discussed in the preceding paragraph, Applicant respectfully submits that Claims 20 and 21 are patentably distinguished over Lawrence in combination with Hall and Bandemer. Applicant respectfully requests allowance of Claims 20 and 21.

Claim 22

With respect to Claim 22, the Examiner states that Lawrence further teaches calculating one or more adjusted results for the subset of inspection checkpoints based at least in part on a predicted legal risk that a construction defect associated with an inspection checkpoint will be discovered and/or will generate a legal claim. The Examiner cites paragraph [0027] in support of this statement. Applicant respectfully disagrees with the Examiner's characterization of the teaching of Lawrence. In particular, paragraph [0027] is reproduced below and is clearly devoid of any teaching or suggestion of inspection checkpoints or construction defects.

[0027] Risks: Risks associated with a financial transaction can include factors associated with security risk, financial risk, legal risk, regulatory risk and reputational risk. A Security Risk refers to breach of a safety measure that may result in unauthorized access to a facility; unauthorized access to data; physical harm, including threat of immediate risk of harm to a person or goods. Financial Risk refers to factors indicative of monetary costs that the Risk Bearing Institution or a Transaction Participant may be exposed to as a result of a particular Financial Transaction. Monetary costs can be related to fines, forfeitures, costs to defend an adverse position, lost revenue, or other related potential sources of expense. Regulatory Risk refers to factors that may cause the Risk Bearing Institution or Transaction Participant to be in violation of rules put forth by a government entity or regulatory agency. Reputational risk relates to harm that a Risk Bearing Institution or Transaction Participant may suffer regarding its professional standing in an industry or the public eye. A Risk Bearing Institution and Transaction Participant can suffer from being associated with a situation that may be interpreted as contrary to an image of diligence, honesty and forthrightness.

More particularly, there is no apparent reference to inspection checkpoints or construction defects in the entire disclosure of Lawrence. Applicant cannot determine any basis for the Examiner's characterization of Lawrence. Accordingly, Applicant respectfully submits that Lawrence does not teach or suggest the limitations in Claim 22.

Claim 22 depends from Claim 1 and further defines the invention defined in Claim 1. For the reasons set forth above with respect to independent Claim 1 and for the additional reasons discussed in the preceding paragraph, Applicant respectfully submits that dependent Claim 22 is patentably distinguished over Lawrence in

combination with Hall and Bandemer. Applicant respectfully requests allowance of Claim 19.

Response to rejection of Claims 6-8, 14-18 and 23 under 35 USC § 103(a) as being unpatentable over Hall and Bandemer in further view of Alverson

The Examiner rejects Claims 6-8, 14-18 and 23 under 35 USC § 103(a) as being unpatentable over Hall and Bandemer in further view of US Patent Application Publication No. 2005/0033628 to Alverson et al. ("Alverson").

Claims 14 and 23

Claim 14 is an independent method claim. Claim 23 depends from Claim 1 and further defines Claim 1. With respect to Claims 14 and 23, the Examiner acknowledges that Hall in view of Bandemer does not directly teach receiving builder response for risk assessment. The Examiner states that Alverson teaches receiving input about the builder and the projects to select from the database a subset of questions to present to the builder, and that Alverson teaches receiving responses to the subsets of questions from the builder, and storing the responses within computer storage (citing paragraphs [0036] and [0042] of Alverson). The Examiner states that it would have been obvious to one of ordinary skill in the art to include the business system of Hall in view of Bandemer with the ability to receive builder response for a risk assessment as taught by Alverson. Applicant respectfully disagrees with the Examiner's contention that it would be obvious to combine Alverson with Hall and Bandemer. As discussed above, Hall and Bandemer cannot be combined as proposed. Furthermore, Alverson discloses a system that has no relationship whatsoever to the ship inspection system disclosed by Hall or to the construction litigation document management system disclosed by Bandemer. Thus, combining the three references would not result in an operational system. Furthermore, even if the three references could be combined in some manner, the combined references would not result in the method defined in independent Claim 14 or the method defined in dependent Claim 23.

Applicant notes that the limitations in dependent Claim 23 do not correspond to the limitations in independent Claim 14. Accordingly, Claim 14 and Claim 23 are discussed separately below.

Claim 14

Claim 14 defines a method of performing a builder assessment that includes:

- receiving information about a builder and about at least one project associated with the builder;

- accessing a database with historical information reflective of construction defect-related claims;

- obtaining additional information about the builder and about at least one of the builder's projects, wherein the additional information comprises results from a physical inspection of the builder's project, that includes inspection of construction items associated with one or more checkpoints, and wherein the checkpoints are programmatically selected based on information that includes the historical information about construction defect-related claims; and

- determining, via execution of program code by a computer system, a builder assessment score, based on information that includes the obtained additional information.

The Examiner's stated basis for rejecting Claim 14 fails to discuss the limitations in Claim 14 that the database stores "historical information reflective of construction defect-related claims;" that the additional information obtained about the builder and at least one of the builder's projects comprises "results from a physical inspection of the builder's project;" that the physical inspection includes "inspection of construction items associated with one or more checkpoints;" and that the checkpoints are "programmatically selected based on information that includes the historical information about construction defect-related claims." The Examiner's lack of discussion regarding the specific limitations of Claim 14 is not surprising because Alverson does not disclose or suggest a database of historical information reflective of construction defect-related claims, and does not disclose or suggest selecting checkpoints for a physical inspection

of a builder's project based on information that includes the historical information about construction defect-related claims. Further, neither Hall nor Bandemer discloses or suggests the missing limitations.

In view of the foregoing discussion, Applicant respectfully submits that independent Claim 14 is patentably distinguished over Hall, Bandemer and Alverson. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 14 and to pass Claim 14 to the issue process.

Claim 23

Claim 23 depends from Claim 1 and further defines the method of Claim 1 as including:

- using the input about the builder and the projects to select from the database a subset of questions to present to the builder;
- receiving responses to the subsets of questions from the builder, and storing said responses within computer storage; and
- using at least the responses to the subsets of questions to programmatically generate a risk assessment of the builder.

The Examiner's stated basis for rejecting Claim 23 fails to discuss the limitations from independent Claim 1 that include:

- accessing stored data about past construction defect claims that includes at least one of: information reflective of a frequency of past construction defect claims and information reflective of costs associated with past construction defect claims;
- using at least the data about past construction defect claims to produce rankings for a portion of the inspection checkpoints;
- selecting a subset of the inspection checkpoints to use to inspect one or more construction projects of the builder, wherein the subset of inspection checkpoints is selected by a computer system based on information that includes the rankings, such that the estimated monetary costs of repair

associated with the selected subset of inspection checkpoints are collectively reflective of a selected potential monetary cost to repair.

As discussed above with respect to Claim 1, Hall and Bandemer do not disclose or suggest the limitations in Claim 1. Alverson also does not disclose or suggest the missing limitations. Thus, even if the proposed combination of Hall, Bandemer and Alverson could be made, the combination would not disclose or suggest the limitations in Claim 1 incorporated into dependent Claim 23.

Alverson also does not disclose or suggest the specific limitations in Claim 23. In particular, Claim 23 states that the input about the builder and projects (from Claim 1) is used to select from the database a subset of questions to send to the builder. Contrary to the Examiner's characterization, Alverson does not use input about the builder and the projects to select from the database a subset of questions to send to the builder. Rather, Alverson only discloses a standard questionnaire shown in Figures 2, 3a and 3c that is sent to all prospective contractors. Alverson does not suggest that the questions on the questionnaire are selected based on any information reflective of past construction defect claims for a particular contractor.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claim 23 is patentably distinguished over Hall, Bandemer and Alverson for the reasons set forth above with respect to independent Claim 1 and for the additional reasons set forth in the preceding paragraphs. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 23 and to pass Claim 23 to the issue process.

Claim 6

Claim 6 depends from Claim 23 and further defines the method of Claim 23 wherein using the input to select a subset of questions and inspection checkpoints comprises selecting questions and inspection checkpoints for assessing at least one component factor from the set consisting of: customer service, data tracking, prior and active claims, legal contracts and insurance, and safety programs. As discussed above with respect to Claim 23, neither Hall nor Bandemer nor Alverson discloses or suggests selecting a subset of questions and inspection checkpoints based on any information

reflective of past construction defect claims for a particular contractor. Accordingly, no combination of the three references discloses or suggests selecting such a subset of questions and checkpoints to assess a component factor from the listed component factors.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claim 6 is patentably distinguished over Hall, Bandemer and Alverson for the reasons set forth above with respect to independent Claim 1 and dependent Claim 23 and for the additional reasons set forth in the preceding paragraph. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 6 and to pass Claim 6 to the issue process.

Claims 7-8 and 15-16

With respect to Claims 7-8 and 15-16, the Examiner states that Alverson teaches that reporting the builder's risk assessment further comprises reporting scores for the component factors that influence the builder's risk (citing paragraph [0038] of Alverson).

Dependent Claims 7 and 8 depend from Claim 6, which depends from Claim 23, which depends from Claim 1. Dependent Claims 15 and 16 depend from independent Claim 14. Accordingly, the two sets of dependent are discussed separately below.

Claims 7 and 8

Claims 7 and 8 depend from Claim 6 and further define the method of dependent Claim 6, which further defines the method of dependent Claim 23. Claim 7 includes the further limitation that "reporting the builder's risk assessment further comprises reporting scores for the component factors that influence the builder risk assessment." Claim 8 includes the further limitation that the claimed method further comprises "calculating a risk assessment score as a weighted combination of the scores for the component factors." As discussed above with respect to Claim 23, neither Hall nor Bandemer nor Alverson discloses or suggests selecting a subset of questions and inspection checkpoints based on any information reflective of past construction defect claims for a particular contractor. Accordingly, as set forth above with respect to Claim 6, no combination of the three references discloses or suggests selecting such a subset of

questions and checkpoints to assess a component factor from the listed component factors. Thus, no combination of the three references discloses or suggests that the component factors are reported as defined in Claim 7 or that the weighted combination of scores is calculated as defined in Claim 8.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claims 7 and 8 are patentably distinguished over Hall, Bandemer and Alverson for the reasons set forth above with respect to independent Claim 1 and dependent Claims 23 and 6. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 7 and 8 and to pass Claims 7 and 8 to the issue process.

Claims 15 and 16

Claims 15 and 16 depend from independent Claim 14 and further define the method of Claim 14. Claim 15 includes the further limitation that "determining the builder assessment score comprises determining for the builder at least one of the set consisting of: a risk assessment grade, a risk assessment category, and a risk assessment tier-level." Claim 16 includes the further limitation that "determining a builder assessment score comprises assigning a numeric score to a plurality of factors associated with builder quality."

As discussed above with respect to independent Claim 14, no combination of Hall, Bandemer and Alverson discloses or suggests a database of historical information reflective of construction defect-related claims or discloses or suggests selecting checkpoints for a physical inspection of a builder's project based on information that includes the historical information about construction defect-related claims. Accordingly, no such combination discloses the limitations of Claim 15 or the limitations of Claim 16 in combination with the limitations of Claim 14.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claims 15 and 16 are patentably distinguished over Hall, Bandemer and Alverson for at least the reasons set forth above with respect to independent Claim 14. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 15 and 16 and to pass Claims 15 and 16 to the issue process.

Claim 17

With respect to Claim 17, the Examiner states that Alverson teaches obtaining information from more than one project to determine a sample of the builder's operations (citing paragraph [0025] of Alverson).

Claim 17 depends from independent Claim 14 and further defines the method of Claim 14. As discussed above with respect to independent Claim 14, no combination of Hall, Bandemer and Alverson discloses or suggests a database of historical information reflective of construction defect-related claims or discloses or suggests selecting checkpoints for a physical inspection of a builder's project based on information that includes the historical information about construction defect-related claims. Accordingly, no such combination discloses the limitations of Claim 17 in combination with the limitations of Claim 14.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claim 17 is patentably distinguished over Hall, Bandemer and Alverson for at least the reasons set forth above with respect to independent Claim 14. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 17 and to pass Claim 17 to the issue process.

Response to rejection of Claims 9-10 and 24-25 under 35 USC § 103(a) as being unpatentable over Bandemer in view of Hall

The Examiner rejects Claims 9-10 and 24-25 under 35 USC § 103(a) as being unpatentable over Bandemer in view of Hall.

Claims 9 and 25

The Examiner states that with respect to independent Claim 9 and dependent Claim 25, Bandemer teaches a system that comprises:

- a user interface for user entry of data regarding a builder and building projects associated with the builder (Fig. 5A);

- a database comprising information reflective of inspection checkpoints for conducting builder risk assessments and the cost of the defects (Fig. 5A), wherein the information reflective of the inspection checkpoints comprises statistical information reflective of a frequency and costliness of building construction problems associated with the inspection checkpoints (column/line

6/27-49, regarding defect observation and location point, 13/3-16, regarding cost of repair for each defect);

a first component configured to receive from the user interface the data regarding the builder and the builder's projects and to select from the [database] a subset of inspection checkpoints to use to inspect construction by the builder (column/line 6/27-49, regarding defect observation and location point);

The Examiner acknowledges that Bandemer does not teach calculating a risk assessment score, but states that Hall teaches:

a second component that calculates a risk assessment score for the builder based at least in part on results of the inspection (paragraph 0020).

The Examiner further states:

It would have been obvious to one of ordinary skill in the art to include the business system of Bandemer with the ability to calculate a risk assessment score as taught by Hall since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Applicant respectfully disagrees with the Examiner's characterization of Bandemer. For the reasons discussed above with respect to Claim 1, Applicant respectfully submits that Bandemer does not disclose or suggest "a first component configured to receive from the user interface the data regarding the builder and the builder's projects and to select from the [database] a subset of inspection checkpoints to use to inspect construction by the builder." The cited paragraph from Bandemer describes the observational information items derived from the inspections of buildings involved in a complex construction defect litigation matter. There is no disclosure or any suggestion in the cited paragraph or elsewhere in Bandemer that a subset of inspection checkpoints were or could be developed from statistical information related to the observational information items. The information obtained in Bandemer is used to allocate responsibility and costs for currently pending construction defect claims. Bandemer does not provide any teaching regarding the use of the information to direct further inspection of the buildings at issue or the inspection of any other buildings.

Hall does not disclose or suggest the foregoing limitations missing from Bandemer. Furthermore, Hall does not disclose or suggest a second component that calculates a risk assessment scored for a builder based at least in part on the results of

the inspection. As discussed above with respect to Claim 1, Hall is directed to the inspection of anomalies resulting from deterioration of a ship and to the development of a ranking of the defects to determine the priority for repairing the defects based in part on the cost and time for repair and in part on the risk associated with not repairing the defect. The information developed by the Hall system does not relate to the original construction of the ship or other structure by a builder and cannot be used to develop a risk assessment for the builder. There is no suggestion that the values developed for each anomaly can be combined in any manner to even produce an overall score for the ship much less for the builder of the ship.

Further with respect to dependent Claim 25, the rejection does not even address the following limitations defined in Claim 25:

wherein the first component is configured to produce ratings for a portion of the inspection checkpoints based on information that includes the information about past construction defect claims and to select the subset of inspection checkpoints based on information that includes the ratings.

The Examiner's lack of a citation regarding the limitations of Claim 25 is consistent with the lack of any disclosure or suggestion in either Bandemer or Hall with respect to the limitations.

In view of the foregoing discussion, Applicant respectfully submits that Claims 9 and 25 are patentably distinguished over Bandemer and Hall and the other art of record. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 9 and 25 and to pass Claims 9 and 25 to the issue process.

Claims 10 and 24

With respect to Claims 10 and 24, the Examiner states:

Bandemer further teaches wherein the database further comprises at least one of the set consisting of: information about proper construction practices associated with the checkpoints, historical information about costs associated with repairing construction faults associated with the checkpoints, information about a statistical frequency of liability claims regarding the checkpoints; and a measure of relevance of proper construction technique for the checkpoints to a risk assessment for projects of various types and various geographical locations (column/line 13/17-37, regarding the retrieval of the document information

regarding location point of defect and associated costs for construction defect litigation).

Claim 10

Claim 10 depends from independent Claim 9 and further defines the method of Claim 9. As discussed above with respect to independent Claim 9, no combination of Bandemer and Hall discloses or suggests the limitations of Claim 9. Accordingly, no such combination discloses the limitations of Claim 10 in combination with the limitations of Claim 9.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claim 10 is patentably distinguished over Bandemer and Hall for at least the reasons set forth above with respect to independent Claim 9. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 10 and to pass Claim 10 to the issue process.

Claim 24

Claim 24 depends from independent Claim 9 and further defines the method of Claim 9 wherein:

the information about the construction checkpoints in the database further comprises data reflective of estimated monetary amounts for potential repairs associated with at least one of the inspection checkpoints; and

the first component is further configured to select the subset of inspection checkpoints such that the estimated monetary amounts for potential repairs associated with the subset are collectively substantially equal to a selected amount.

The Examiner's rejection of Claims 10 and 24 does not address the limitations of dependent Claim 24. Furthermore, neither Bandemer nor Hall discloses or suggests the limitations of Claim 24. In particular, neither reference nor any combination of the two references discloses or suggest that a subset of inspection checkpoints is selected such that the estimated monetary amounts for potential repairs associated with the subset of checkpoints are collectively substantially equal to a selected amount. Both

references teach against such a limitation. Bandemer is directed to finding all construction defects in the properties involved in the defect litigation so that the costs for repairing the defects can be allocated to the responsible parties. There is no suggestion that a subset of inspection checkpoints is selected to achieve collective estimated repair cost equal to a selected amount. One skilled in the art would understand that the goal in litigation is to achieve the greatest possible monetary amount as a potential recovery if the litigation is successful. Similarly, no one skilled in the art of inspecting ships or other maritime structures would consider selecting a subset of inspection checkpoints that is limited by a selected monetary amount. The goal of inspecting a ship for safety is to find as many anomalies as is reasonably possible and then determine which of the anomalies must be repaired before the ship is allowed to go on another voyage.

As discussed above with respect to independent Claim 9, no combination of Bandemer and Hall discloses or suggests the limitations of Claim 9. Accordingly, no such combination discloses the limitations of Claim 24 in combination with the limitations of Claim 9.

In view of the foregoing discussion, Applicant respectfully submits that dependent Claim 10 is patentably distinguished over Bandemer and Hall for at least the reasons set forth above with respect to independent Claim 9 and for the additional reasons set forth in the preceding paragraphs. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 24 and to pass Claim 24 to the issue process.

Response to rejection of Claims 11-13 and 26-28 under 35 USC § 103(a) as being unpatentable over Bandemer and Hall in further view of Alverson

The Examiner rejects Claims 11-13 and 26-28 under 35 USC § 103(a) as being unpatentable over Bandemer and Hall in further view of Alverson.

Claims 11-13

Claim 11 depends from independent Claim 9 and further defines the invention defined in Claim 9. Claim 12 depends from Claim 11 and further defines the invention defined in Claim 11. Claim 13 depends from Claim 12 and further defines the invention

defined in Claim 12. As discussed above, Claim 9 is patentably distinguished over Bandemer and Hall. Alverson does not disclose or suggest the limitations missing from Bandemer and Hall with respect to Claim 9. In view of the patentability of Claim 9 over Bandemer and Hall, as discussed above, Applicant respectfully submits that dependent Claims 11-13 are patentably distinguished over Bandemer, Hall and Alverson for at least the reasons set forth above with respect to Claim 9. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 11-13 and to pass Claims 11-13 to the issue process.

Claims 26 and 28

Claim 26 depends from independent Claim 9 and further defines the invention defined in Claim 9. Claim 28 depends from Claim 26 and further defines the invention defined in Claim 26. As discussed above, Claim 9 is patentably distinguished over Bandemer and Hall. Alverson does not disclose or suggest the limitations missing from Bandemer and Hall with respect to Claim 9. In view of the patentability of Claim 9 over Bandemer and Hall, as discussed above, Applicant respectfully submits that dependent Claims 26 and 28 are patentably distinguished over Bandemer, Hall and Alverson for at least the reasons set forth above with respect to Claim 9. Applicant respectfully requests the Examiner to withdraw the rejection of Claims 26 and 28 and to pass Claims 26 and 28 to the issue process.

Claim 27

Claim 27 depends from dependent Claim 25, which depends from independent Claim 9. Claim 27 further defines the invention defined in Claim 25, which further defines the invention defined in Claim 9. As discussed above, Claim 9 is patentably distinguished over Bandemer and Hall. As further discussed above, Claim 25 is also patentably distinguished over Bandemer and Hall. Alverson does not disclose or suggest the limitations missing from Bandemer and Hall with respect to Claim 9 and with respect to Claim 25. In view of the patentability of Claims 9 and 25 over Bandemer and Hall, as discussed above, Applicant respectfully submits that dependent Claim 27 is also patentably distinguished over Bandemer, Hall and Alverson for at least the reasons

Application No.: **10/802,129**
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Attorney Docket No: **10108-001A**

set forth above with respect to Claims 9 and 25. Applicant respectfully requests the Examiner to withdraw the rejection of Claim 27 and to pass Claim 27 to the issue process.

Request for Interview

Applicant respectfully requests the Examiner to contact Applicant's undersigned attorney of record to resolve any issues that may remain after the Examiner fully considers this response. If only minor issues remain to be resolved after entry of this response, the Examiner is cordially invited to call the undersigned attorney at 949-433-2849 to resolve any such issues or to allow the undersigned attorney to schedule a personal interview with the Examiner.

Respectfully submitted,

Dated: February 17, 2009

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